

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, OCTOBER 21, 2008**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Lower Cotton Valley Zone, Reservoir A and the Haynesville Zone, Reservoir A**, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana.

1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A.
2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within these proposed units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and a unit well for, each of the proposed units as may be appropriate.
5. To authorize the downhole combination of production from the Lower Cotton Valley Zone, Reservoir A and from the Haynesville Zone, Reservoir A in the wellbore of any well drilled on the proposed additional units (or on the existing Lower Cotton Valley unit designed LCV RA SULL) in which the ownership interests in the units from which production is to be combined downhole are identical.
6. To redefine the Lower Cotton Valley Zone, Reservoir A, insofar and only insofar as to the proposed additional unit LCV RA SU125, and the existing unit designated LCV RA SULL, as being that gas and condensate bearing interval encountered between the depths of 10,030' and 10,670' (electrical log measurements) in the J-W Operating Company-Cohort Energy et al 22 No. 1 Well, located in Section 22, Township 16 North, Range 13 West.
7. To define the Haynesville Zone, Reservoir A, insofar and only insofar as to the additional units proposed herein, as being that gas and condensate bearing interval having a top of 10,670' (electrical log measurement) in the J-W Operating Company-Cohort Energy et al 22 No. 1 Well, located in Section 22, Township 16 North, Range 13 West and having a base of the stratigraphic equivalent of the depth of 11,487' (electrical log measurement) in the Chesapeake Operating, Inc.-SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West.
8. To provide that wells drilled to the Haynesville Zone, Reservoir A, within or outside of the proposed units be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any other well completed in, drilling to, or for which a permit has been granted to drill to the Haynesville Zone, Reservoir A.
9. To extend, except as in conflict herewith, the provisions of Order No. 361-E, effective July 16, 1996, as amended and supplemented, and of all applicable Statewide Orders, to the proposed additional units for the Lower Cotton Valley Zone, Reservoir A.
10. To consider such other matters as may be pertinent.

The Lower Cotton Valley Zone, Reservoir A was defined in Order No. 361-E, effective July 16, 1996.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

9/16/08;9/19/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.